



STATE BOARD OF EQUALIZATION

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No. 65/53

April 24, 1985

TO COUNTY ASSESSORS:

SUMMARY OF PROPOSED LEGISLATION NUMBER 3

Following are brief summaries of legislation introduced or amended during the 1984-85 regular session of the Legislature. These measures relate to the Revenue and Taxation Code or otherwise to the assessing function.

AB 1729

Author: Assembly Member Hauser

Action: Introduced in Assembly

Date: March 7, 1985

Affected Code Sections: Amend Sections 38109 and 38204 of, and adds Sections 38204.1 and 38204.2 to the Revenue and Taxation Code. (Timber yield tax.)

This bill would substitute an indexing procedure instead of sales prices for setting future immediate harvest values on timber harvested.

AB 2091

Author: Assembly Member Farr

Action: Introduced in Assembly

Date: March 8, 1985

Affected Code Section: Amend Section 1611.5 of the Revenue and Taxation Code (Equalization Hearings).

This bill would require the payment of a fee or deposit thereon by a requesting party prior to the conclusion of an equalization hearing as a condition of the preparation of written findings.

AB 2409

Author: Assembly Member Filante

Action: Introduced in Assembly

Date: March 8, 1985

Affected Code Section: Adds Section 18075.6 to the Health and Safety Code. (Floating homes)

April 24, 1985

Floating homes, as defined, are presently subject to local property taxation as realty and are not subject to registration by the Department of Housing and Community Development. This bill would permit floating homes to continue being subject to local property taxes as real property, but would require that they be registered and titled by the department at the time of sale, resale, or transfer of title. They would be exempt from registration fees and taxes by the State.

AB 2444

Author: Assembly Member Ferguson
Action: Introduced in Assembly
Date: March 8, 1985
Affected Code Sections: Repeals Chapter 3.5 (commencing with Section 75) of Part 0.5 of Division 1 of the Revenue and Taxation Code. (Supplemental assessments)

This bill would repeal the above referenced provisions relating to supplemental assessments as of July 1, 1986, if the Director of Finance determines that the estimated amount of the Contingency Reserve for Economic Uncertainties and the Special Reserve Account as shown in the 1986-87 Governor's Budget is \$1.5 billion or more.

AB 2496

Author: Assembly Member Costa
Action: Introduced in Assembly
Date: March 8, 1985
Affected Code Sections: Amends Sections 29100.6 and 29100.7 of and adds Section 12420 to the Government Code and amends Section 218 and 17053.5 of the Revenue and Taxation Code. (Homeowner's exemption)

This bill would annually increase the homeowners' tax exemption by a varying percentage amount beginning with taxes levied for the 1985-86 fiscal year if a determination is made by the Controller that a minimum amount of General Fund reserves exists as of June 30 of each fiscal year.

AB 2528

Author: Assembly Member Elder
Action: Introduced in Assembly
Date: March 11, 1985
Affected Code Section: Amends Section 62 of the Revenue and Taxation Code.

This bill would provide that a change in ownership shall include any transfer whose terms reserve to the transferor an estate for years. This bill would provide that a change in ownership shall not include a sale and leaseback agreement treated as a financing transaction for state personal income and bank and corporation tax and federal income tax purposes.

SB 165

Author: Senator Beverly
Action: Introduced in Senate
Date: January 14, 1985
Affected Code Section: Amends 998 of the Revenue and Taxation Code.
(Timeshare estates)

This bill revises the method for determining the taxable value of all timeshare estates or uses.

SB 455

Author: Senator Seymour
Action: Introduced in Senate
Date: February 19, 1985
Affected Code Sections: Amends Sections 11911, 11911.1, 11923, 11925, 11927, 11931, 11932, and 11933 of the Revenue and Taxation Code. (Documentary Transfer Tax)

This bill would provide that both the county and city documentary transfer tax may be at a rate of 60 cents for each \$1,000 based upon the full cash value and would still provide a credit against the county tax for the amount of the city tax. This bill would also delete the requirement that the applicable documents include a specified recital in order to qualify for the exemption from the documentary transfer tax.

SB 580

Author: Senator Vuich
Action: Introduced in Senate
Date: February 25, 1985
Affected Code Section: Amends Section 75.60 of the Revenue and Taxation Code. (Supplemental Assessments)

This bill would allow the county board of supervisors to direct the county auditor to allocate to the county an amount not to exceed 5 percent of the additional revenues generated by supplemental assessments for purposes of administering the supplemental assessment program indefinitely. Existing law limits the supervisors ability to do this to 1983-84 and 1984-85 fiscal years.

SB 581

Author: Senator Vuich
Action: Introduced in Senate
Date: February 25, 1985
Affected Code Section: Adds Section 4846 to the Revenue and Taxation Code.
(Roll Corrections)

April 24, 1985

This bill would permit the assessor to make corrections to the current roll without limitation; however, a hearing or prior approval by the board of supervisors would be required for any correction to the current roll for the purpose of making a refund.

SB 582

Author: Senator Vuich

Action: Introduced in Senate

Date: February 25, 1985

Affected Code Sections: Amends Sections 95 and 97 of the Revenue and Taxation Code. (Allocation of property tax revenues).

This bill would reduce the amount of property tax revenues to be allocated by an amount equal to the county's property tax administration costs. This bill would impose a state-mandated local program by requiring the county auditor to calculate the amount of the reduction and to allocate that amount to the county prior to the allocation of property tax revenues. In effect, this amendment to existing law would require that all taxing jurisdictions sharing in the property tax revenues must share in the cost of property tax administration in the same proportion.

SB 917

Author: Senator Vuich

Action: Introduced in Senate

Date: March 6, 1985

Affected Code Sections: Amends Sections 722 and 2912 of the Revenue and Taxation Code. (Lien date)

This bill would change the lien date from March 1 to January 1 preceding the fiscal year for which the taxes are levied.

SB 971

Author: Senator Ellis

Action: Introduced in Senate

Date: March 6, 1985

Affected Code Section: Adds Section 220 5 to the Revenue and Taxation Code. (Aircraft exemption)

This bill would exempt from property taxation any aircraft of historical significance, as defined.

SB 1132

Author: Senator Bergeson

Action: Introduced in Senate

Date: March 7, 1985

Affected Code Section: Adds Section 2196 to the Revenue and Taxation Code. (Tax liens: errors)

April 24, 1985

This bill would provide that whenever the state or any city, county, district, or other political subdivision records a tax lien in error, it shall expunge the document from its record.

ACA 2

Author: Assembly Member Hannigan

Action: Amended in Assembly

Date: March 12, 1985

Affected Constitutional Sections: Adds subdivisions (f), (g), and (h) to Section 2 of Article XIII A of the Constitution of the State. (Change in ownership)

This measure would provide that "change in ownership" does not include the transfer of real property between spouses or between parents and their children.

ACA 3

Author: Assembly Member Elder

Action: Amended in Assembly

Date: March 21, 1985

Affected Constitutional Section: Amends Article XIII and XIII A of the Constitution of the State.

This measure would:

1. Revise the limits on the homeowners' exemption.
2. Revise the disabled veterans' exemption.
3. Revise the method of allowing property tax relief to renters.
4. Repeal the provision that the State provide replacement revenues to local government for the homeowners' exemption.
5. Repeal the provision requiring a new appraisal at the time of change in ownership.
6. Restrict the increase in fees on residential real property not to exceed the Consumer Price Index.

This summary applies only to the property tax aspects of this amendment.

Copies of each of these measures are enclosed for your information.

Sincerely,



Verne Walton, Chief
Assessment Standards Division

VW:wpc
AL-04C-2427A